

Montgomery County
FY24 Operating Budget
Community Support Program-DD Supplement
Budget Hearing-April 11, 2023-7pm

Submitted by: Rick Callahan, Co-Chair of InterACC/DD and Executive Director of Compass, Inc.

InterACC/DD Position: The InterACC/DD members request that the County Council increase the DD-Supplement from the amount proposed by the County Executive of \$20,657,130 to \$22,104,120, which is a COLA increase based upon the SS CPI OF 8.7% for 2023.

My name is Rick Callahan, Co-chair of InterACC/DD and Executive Director of Compass Inc

The Inter-Agency Coordinating Committee on Developmental Disabilities (InterACC/DD) is a coalition of 41 service providers operating community-based support services in Montgomery County funded primarily through the State of Maryland Developmental Disabilities Administration (DDA). Provider agencies are expected to receive approximately \$295 million this year from DDA to support about 4,000 Montgomery County citizens with intellectual and developmental disabilities and their families.

For over 40 years, Montgomery County government has provided supplemental funding for DDA-funded services delivered in the county. County support is designed to mitigate the higher cost of doing business in Montgomery County and to enhance the quality and range of services providers are able to offer some of our most vulnerable citizens.

The DD-Supplement is utilized by the DD provider community to the provision of person-centered services that focus on the inclusion of all people with developmental disabilities in work, school, recreation, and social life. The DD-Supplement funds efforts to:

- Continue providing high-quality services to Montgomery County citizens with intellectual and developmental disabilities in need of residential, employment, and other individualized support services.
- Explore and implement workforce strategies to curtail this historic workforce crisis.

- Fund the conversion from the current payment system to the LTSS reimbursement system.
- Invest to maintain and build capacity to support people with an intellectual and developmental disabilities.
- Invest in infrastructure to respond to the changing service industry climate, such as the implementation of Quality Improvement Organization standards within the DD provider network.
- Confront the ongoing COVID19 Pandemic, including:
 - Address expected shortfall in expiring State Appendix K funding which has sustained emergency operations, especially residential operations, since the onset of the pandemic
 - Incentivize employment in a historically constrained labor market by providing higher starting wages, retention, and performance incentives
 - Prepare for the further reopening of in-person services, plan for hybrid services, and restructure in light of continued virtual/remote supports in an evolving environment
 - Address other COVID-19 challenges, including resident and staff safety, staff training, and increased operating costs.
- Work collaboratively with Montgomery County Public Schools to transition Maryland's largest group of transitioning youth into adult services
- Maintain a high-quality direct support professional workforce through higher wages made possible by Montgomery County supplemental funding.
- To invest in career ladders and lattices for the Direct Support Professionals, which lead to lower turnover higher retention, and higher quality of services.
- Successfully operate in an environment where the cost of providing intellectual and developmental disability services, including residential, employment, and other individualized support services, is significantly more expensive than in other Maryland counties.

The full DD-Supplement is needed because:

- According to the SS CPI index, inflation has increased over 14%
- Montgomery County's minimum wage for large employers is increasing to \$16.70.
- To be competitive in a very tight workforce, DD providers strive to pay over the prevailing wage for the County of \$16.70.
- COVID is here to stay.
- DSP workforce crisis remains a significant challenge for DD providers. This leads to people receiving less services and/or no services because DD providers cannot locate DSPs to provide the services.

- DD providers and their DSPs are part of the Care Economy. The Care Economy is both paid and unpaid services.
 - DSP's leaving the workforce due to low wages, leaving behind unfilled jobs. According to BCG, the number of vacant care jobs is at 1.8 million.
 - Unpaid care workers leaving their own jobs to backfill care that would have otherwise been provided by an paid care worker. For every 10 paid caregiver who leave the workforce, one person in another part of the economy is forced to leave the workforce to backfill as a result.

The County's commitment and Leadership

- Over 40 years the County's has provided this support
- 10% match to the total DD revenue. The current match is at 8.39%
- DD providers used the SS CPI index because of the many unknown variables associated with the transition from prospective funding system to a fee for service funding system.
- Bridge the gap between DDA-funded reimbursable services and the actual cost to provide high-quality intellectual and developmental disability services in Montgomery County.

The partnership between InterACC/DD, the Montgomery County government, and DDA has proven to be a critical asset in the county's economic development. The InterACC/DD looks forward to working with the County Executive and the County Council to ensure that these vital funds can be maintained.

SSA COLA reference:

<https://www.ssa.gov/cola/>